

ABSTRACT


Title : COMMERCIAL BANK CREDITS FOR AGRICULTURAL LOANS :
A CASE STUDY OF KRUNG THAI BANK PUBLIC COMPANY
LIMITED MAE RIM BRANCH MAE RIM DISTRICT
CHIANGMAI PROVINCE

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3 / 8 / 1998
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The objectives of this research were to investigate [1] processes and ideal of Krung Thai Bank Public Company Limited for giving loan service comparing with Bank for Agriculture and Agricultural Cooperatives and Bangkok Bank Public Company Limited [2] procedure and consequence of loan service strategy [3] problems and difficulties of loan payment of agriculturist debtors. The researcher is interested in the role of agricultural loan service which was offered by the commercial banks : The case study of Krung Thai Bank Public Company Limited Mae Rim Branch, Chiangmai Province. The data was collected from 267 debtors of the bank. To conduct the research, the studied group was divided into two groups with 218 respondents from agricultural group and other 49 respondents who are in general career group. The data was then analyzed by the statistical package for Social Science Computer Program.

The processes and ideal of the agricultural credit service of Krung Thai Bank Public Company Limited was acknowledged by the 5'C policy, depending on the laws concerning working control, and the policy of running business.

The agricultural loan policy of KrungThai Bank Public Company Limited could be divided into two cases according to the nature of business and the sort of debtor.

Bank for Agriculture and Agricultural Cooperatives would offer this kind of service to only agriculturists or group of agriculture for financial support and enhancing agricultural activities. Bangkok Bank Public Company Limited, on the other hand, usually offers the loan service to the business concerning with agriculture, high potential clients. The emphasis is on lossless commercial.

The research was conducted in Mae Rim and Mae Tang districts. 807 of population were randomly chosen with 267 of sample group, The focus was on the difficulties of loan payment which are:

1. The internal factor occurred with the debtor himself.
2. The external factor effected loan repayment of the debtor.
3. The bank workers are also the cause of the problem.
4. The other factors.

According to processes and consequence of running the loan service strategy, it was found that there were primary steps concerning in decision making before approving a loan service. Then the bank would set up the conditions for debtors to follow. The bank would examine every step of working, collateral property and the contract of the building or estate. Checking time period of the contract was also included.

From the research, it could be suggested that there are many reasons for delayed loan payment, from many years of drought, for instance, the bank should therefor postpone the repayment date. The bank should decrease the interest rate in order to persuade debtors to pay debt and it should also instruct the loan service workers by providing a training course in agriculture in order to increase the potential of their service.